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# 4A

## Action

### *Professional Services Committee*

## **Proposed Cost Recovery Plan for Accreditation Activities and Draft Regulatory Language**

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**Executive Summary:** This is a two-part item. Part One brings proposed policies focusing on cost recovery for accreditation activities for consideration and possible action; Part Two provides draft regulatory language that addresses cost recovery for some accreditation activities consistent with the 2013-14 state budget for the Commission.

**Policy Question:** Does the proposed cost recovery plan for accreditation meet the intent of the 2013-14 State Budget Act provisions as well as the Commission's expectation to support and promote a high quality accreditation system?

**Recommended Action:** That the Commission adopt the proposed cost recovery plan; review and amend as necessary, make the required findings of emergency, and adopt the proposed emergency regulations for cost recovery; and direct staff to proceed with preparing an emergency regulatory file and to begin the regular rulemaking process, including the scheduling of a public hearing.

**Presenters:** Teri Clark, Director, and Catherine Kearney, Consultant, Professional Services Division, Tammy Duggan, Consultant, Certification Division.

### **Strategic Plan Goal**

#### *II. Program Quality and Accountability*

- ◆ Establish and maintain educator preparation, development, and career pathways as a shared responsibility among institutions of higher education, local education agencies and state agencies.

September 2013

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# Proposed Cost Recovery Plan for Accreditation Activities and Draft Regulatory Language

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## Introduction

The 2013-14 Budget Act includes a provision that authorizes the Commission to develop and implement a cost recovery plan for selected accreditation activities. This agenda item continues the discussion of a proposed plan to implement cost sharing for institutions for selected accreditation activities. The Commission's 2013-14 budget assumes up to \$200,000 in funds from the implementation of a cost recovery system.

## Background

Accreditation of educator preparation programs is a core activity and statutorily-mandated responsibility of the Commission. Suspension of these activities severely hampers the ability of the agency to carry out its oversight responsibilities and to ensure that all programs are meeting Commission adopted standards. The standards are in place to ensure the competency of California educators and their ability to perform educational duties. To secure the long term sustainability of California's comprehensive accreditation system, several options were explored by staff and presented in recent months to the Commission and the Committee on Accreditation for initial feedback.

This agenda item has two parts:

- Part One of this item is a follow up to previous agenda items regarding cost recovery and presents results from survey data collected from stakeholders most likely to be affected by the cost recovery plan.
- Part Two of this item presents proposed emergency regulatory language related to cost recovery associated with accreditation activities.

## Part One: Review of Cost Recovery Plan and Stakeholder Input

At two recent meetings, April 2013 <http://www.ctc.ca.gov/commission/agendas/2013-04/2013-04-3D.pdf>, and August 2013 <http://www.ctc.ca.gov/commission/agendas/2013-08/2013-08-3D.pdf>, the Commission discussed potential cost recovery options for accreditation activities to meet the \$200,000 budget assumption created by the 2013-14 Budget Act (Chap. 48, Stats 2013). Specifically Assembly Bill (AB) 86 adds Education Code (EC) §44374.5 as follows:

(a) The commission may charge a fee to recover the standard costs of reviewing new educator preparation programs. Applicable local educational agencies and institutions of higher education shall submit the established fee to the commission when submitting a proposal for a new program. The commission may review the established fee on a periodic basis and adjust the fee as necessary. The commission shall notify the chairpersons of the committees and subcommittees in each house of the Legislature that consider the State Budget and the Department of Finance at least 30 days before implementing the fee and at least 30 days before making any subsequent fee adjustments.

(b) The commission may charge commission-approved entities a fee to recover the costs of accreditation activities in excess of the regularly scheduled data reports, program assessments, and accreditation site visits. This includes, but is not necessarily limited to, accreditation revisits, addressing stipulations, or program assessment reviews beyond those supported within the standard costs of review. Institutions of higher education shall submit the established fee to the commission in the year that the extraordinary activities are performed. The commission may review the established fee on a periodic basis, and adjust the fee as necessary. The commission shall notify the chairpersons of the committees and subcommittees in each house of the Legislature that consider the State Budget and the Department of Finance at least 30 days before implementing the fee and at least 30 days before making any subsequent fee adjustments.

Cost recovery options are limited to accreditation activities that go above the norm. Full descriptions of cost recovery options are provided in the August 2013 Commission Meeting agenda <http://www.ctc.ca.gov/commission/agendas/2013-08/2013-08-3D.pdf>. A summary of the proposed cost recovery plan is listed below.

Accreditation Activity	Cost Recovery
Regularly Scheduled Site Visits	\$0
Regularly Scheduled Pre-visits	\$0
Revisit	<i>\$1000 per individual attending visit</i>
Reports Addressing Stipulations (revisit required)	\$1000
Reports Addressing Stipulations (no revisit required)	\$500
Program Assessment/Biennial Reports	\$0
Program Assessment Requiring More than 3 Reviews	\$1,000
Initial Program Review 12 or more standards	\$2,000
Initial Program Review 6-11 standards	\$1,500
Initial Program Review fewer than 6 standards	\$1,000
Initial Institutional Approval	\$2,000
Focused Site Visit	<i>\$1,000 per individual attending visit</i>
Late Document Reviews	<i>\$500 per program</i>
Additional Extraordinary Accreditation Activity	Cost Recovery
Full Program Review during Site Visit as a result of not completing program assessment process	<i>\$3,000 per program</i>

At its August 2013 meeting, Commissioners requested an illustration of what this recovery plan would have looked like had it been in place during previous years. Had cost recovery been in place, approximately \$163,500 would have been recovered in 2010-11 and \$187,500 in 2011-12 with the majority (\$114,000 and \$121,000 respectively) coming from Initial Program Review (IPR). This estimate does not include consideration of the impact that any in-kind contributions would have had on the amount recovered as there is no way to estimate that at this time. The full illustration is attached in Appendix A.

### Additional Extraordinary Accreditation Activity

The Commission could also consider an aspect of the system that was not part of the previous version of the cost recovery proposal. Program Assessment documents are due to the Commission two years prior to the site visit. When one or more programs have not completed the Program Assessment process 6 months prior to the site visit, and when completion of that activity is due to the fact that the documents were significantly late, the Commission is faced with having to go to extraordinary efforts to find reviewers and get the documents reviewed in a much shortened time frame prior to a site visit. The majority of programs complete the program assessment process within 12-18 months. However, there have been institutions that have been extremely late submitting program assessment documents, including those that have submitted more than a year and a half late, allowing less than 6 months to complete the review process prior to the visit. Documents submitted significantly late make a complete review much more difficult. The Commission could consider implementing a requirement that, in these cases, the document not be read as a program assessment document, but be reviewed as part of the site visit responsibilities and require that the program assume the full cost of two reviewer assigned to that site visit team.

- Full program review during site visit. Two reviewers at \$1,500 per reviewer resulting from inability to complete program assessment

### **Stakeholder Feedback**

Commissioners also requested additional feedback from the field. To garner feedback from a wide range of stakeholders, input was solicited through a survey which is provided in Appendix B. Responses were received from both private and public universities, local education agencies (LEAs), and individuals involved in public advocacy. When an individual began the feedback survey, the person was asked to indicate if the response represented the individual's personal response or was a response that represented the institution as a whole. Institutional responses comprised 34% and the remaining 66% of responses were from individuals. The majority of individual responses came from program directors/deans (59%). Responses came from UC (12.9%), CSU (12.1%), Independents (33.6%), LEAs (36.2%), and Other (5.2%). Of the institutional responses, the majority were from Independents (46.2%).

The majority of respondents, 65% (68% institutional responses) reported that the cost recovery plan was fair. With respect to the respondents who felt the plan was unfair, the majority of their comments focused on addressing the impact at small campuses. Several respondents commented that cost recovery may actually enhance the accreditation system.

Respondents were also asked to comment on the positive aspects of the cost recovery plan and also any concerns that may have surfaced, both of which have been included below.

### *Clarify In-Kind Contribution*

Forty-six percent reported a desire to take advantage of the in-kind contribution. However, it was clear that this option needs to be more fully developed to include specifics about reviewers who contribute to other activities such as site visits and reviewers who participate in multiple activities, as well as other details regarding logistics and bookkeeping. There was also a suggestion that more Board of Institutional Reviewer (BIR) trainings should be offered in a

variety of locations. Commission staff would need to develop procedures to implement an In-Kind option for the cost recovery plan.

#### *Initial Program Review Resulting from Commission Revision of Standards*

While 88% of all respondents (30 out of 34 institutional responses) stated that this plan would not prohibit them from proposing new programs, 11 programs stated that this might be prohibitive. Of these, 2 were from UC, 3 each were from CSU, Independents, and LEAs. Four of these responses were responses representing the institution not an individual (3 CSU and 1 LEA).

Four survey respondents surfaced concerns regarding Initial Program Review (IPR) that is triggered by Commission adoption of new or amended program standards. When standards are adopted, Commissioners may allow programs to transition to the new standards within the current accreditation system rather than going through IPR, thus avoiding this issue all together. This is more viable when changes to standards are minor. When new standards represent significant changes in policy, the Commission typically sets a two year window for full transition and engages in a full-scale IPR process. To support institutions who would like to use the in-kind option and avoid fees associated with IPR, the staff can provide ample opportunities for programs to get reviewers trained. This approach would provide the additional readers required for the numerous submissions that result from large-scale standards revisions.

#### *Publish Clear Guidelines*

Comments also focused on the need for specific information regarding expectations for due dates and timely responses from reviewers, how the number of reviewers is determined, process for payment of fees, and process for appeals. There was also some concern that without clear guidelines, the accreditation process could be compromised by reviewers' awareness that asking for additional information or leveraging stipulations could result in additional costs to the institution being reviewed.

*Assistance for Small Programs/Institutions* There was some concern expressed regarding the impact cost recovery would have on small institutions. This was of particular concern to the LEAs that responded to the survey.

#### *Timeline for Implementation*

Suggestions were made regarding providing adequate notice, specifically in regard to program reviews that were already in process.

#### *Strengthens Accreditation Process*

There were many comments in support of the cost recovery plan, specifically as it relates to strengthening the current system. The comments focused on two key points. First, that the plan provides necessary funds/reviewers to sustain the current accreditation process; second, that the cost recovery plan would have a positive impact on the quality and timeliness of documents that were submitted for review.

### **Additional Stakeholder Suggestions**

Several comments surfaced that were outside the scope of current Commission authority. These are summarized below.

- Prefer a pro-rated flat fee based on institution size (Institutional Response CSU)  
Responder suggested that an annual flat fee leveled on all institutions based on institutional size would help to avoid potential adversarial relationships between the Commission and institutions of higher education.
- Discuss additional funding with Legislature (Institutional Response CSU)  
Responder stated the need for additional state funding for the Commission so that cost recovery would be unnecessary.
- Streamline accreditation process (Several Responses)  
Comments focused on the need to reduce the overall workload for both the institution and the Commission associated with the accreditation system. No specific suggestions were provided as to what should be changed.
- Require all institutions participating in accreditation system to provide reviewers  
It was suggested that every institution be required to provide one reviewer annually for each program it sponsors. For example, an institution with 4 programs would provide 4 reviewers each year.

### **Part Two: Proposed Emergency Regulatory Language**

Part Two of this agenda item proposes the addition of a new subarticle and two sections to Title 5 of the California Code of Regulations (CCR) as emergency regulations. The proposed addition of Subarticle 3 to Article 3, including the addition of §§80691 and 80692, to Title 5 is to clarify, interpret, and make specific EC §44374.5 pertaining to cost recovery fees for professional preparation program approval and accreditation.

The Office of Administrative Law (OAL) has ten days to approve or deny emergency regulations. If approved, the emergency regulations are filed with the Secretary of State and become effective on the same date. The Commission would be authorized to begin collecting the cost recovery fees the date the regulations are filed with the Secretary of State while seeking permanent adoption of the proposed regulations.

### **Findings of Emergency**

Approval of the proposed regulations on an emergency basis is required for the immediate preservation of the public general welfare within the meaning of Government Code section 11346.1. The purpose of the accreditation system is to ensure the quality of California educators; the Commission's accreditation system is the only quality control mechanism the state has over educator preparation programs and helps ensure the integrity of the credentials issued by the agency (reference EC §§44370 and 44371). Delaying implementation of cost recovery fees for program approval and accreditation during the regular rulemaking process that will take at least six months to complete will cause the Commission to temporarily suspend accreditation activities. Failure by the Commission to perform its statutorily-mandated duties could result in the certification and placement of unqualified teachers in California's public schools.

Emergency regulations are necessary to ensure that the Commission has the monetary means to perform its statutorily-mandated accreditation duties, thereby ensuring high quality educator preparation for the instruction of California public school pupils. The 2013-14 budget which allows the Commission to institute a cost recovery plan assumes \$200,000 from the cost recovery fees [reference AB 110 (Chap. 20, Stats. 2013)]. The emergency regulations are needed to implement the cost recovery plan as early as possible in 2013-14.

### ***Summary of Proposed Emergency Regulations***

#### ***Subarticle 3.***

Proposed new subarticle to Article 3 of Title 5 of the CCR in order to clarify, interpret, and make specific the professional preparation program approval and accreditation cost recovery fees per EC §44374.5 added as a result of Assembly Bill 86 (Chap. 48, Stats. 2013).

**§80691 and Introduction:** Proposed new section to provide definitions for the terms associated with the cost recovery fees for program approval and accreditation.

**(a):** Proposed language provides the definition for a “Board of Institutional Review member” and incorporates by reference Chapter Eleven of the *Accreditation Handbook*.

**(b):** Proposed language provides the definition for a “focused site visit” and incorporates by reference Chapter Four of the *Accreditation Handbook*.

**(c):** Proposed language provides the definition for “initial institutional approval” and incorporates by reference Chapter Three of the *Accreditation Handbook*.

**(d):** Proposed language provides the definition for “initial program review” and includes a reference to Chapter Three of the *Accreditation Handbook*.

**(e):** Proposed language provides the definition for “institution” as related to the types of organizations that are authorized to seek professional preparation program approval and accreditation.

**(e)(1) through (e)(5):** Proposed new subsections list the type of institutions, as defined in subsection (e), that are authorized to seek initial institutional approval.

**(f):** Proposed language provides the definition for “late review” as related to the submission of biennial reports, incorporates by reference Chapter Five of the *Accreditation Handbook*, and includes a reference to Chapter Four of the *Accreditation Handbook*.

**(g):** Proposed language provides the definition for “program assessment” and incorporates by reference Chapter Six of the *Accreditation Handbook*.

**(h):** Proposed language provides the definition for “professional preparation program.”

**(i):** Proposed language provides the definition for “site revisit” and incorporates by reference Chapter Fifteen of the *Accreditation Handbook*.

**(j):** Proposed language provides the definition for “site visit” and includes a reference to Chapter Four of the *Accreditation Handbook*.

**(k):** Proposed language provides the definition for “standard accreditation cycle” and includes a reference to Chapter Four of the *Accreditation Handbook*.

**(l):** Proposed language provides the definition for “stipulations” and incorporates by reference Chapter Eight of the *Accreditation Handbook*.

**Note:** Cites the relevant Education Code authority and references for the proposed addition of 5 CCR §80691.

**§80692 and Introduction:** Proposed new section to clarify the cost recovery fees as established by the Commission that must be submitted by a professional preparation program for the program approval and accreditation activities specified.

**(a):** Proposed new subsection to establish the cost recovery fees for document review beyond the Standard Accreditation Cycle, as defined in §80691(k) and includes language specifying when the fees must be submitted to the Commission [reference EC §44374.5(a)].

**(a)(1):** Proposed language establishes the cost recovery fee for initial institutional approval as defined in §80691(c).

**(a)(2):** Commission-approved professional preparation programs include specific standards that must be addressed by the institution. The proposed language prefaces the subsections that will establish the cost recovery fees for initial program review (IPR) as defined in §80691(d) depending on the number of required standards to be addressed.

**(a)(2)(A):** Proposed language establishes the flat fee for the IPR of a professional preparation program that addresses twelve or more standards. Preliminary credential programs typically include twelve or more standards [reference 5 CCR §80054(a)(2) pertaining to Preliminary Administrative Services Credentials].

**(a)(2)(B):** Proposed language establishes the flat fee for the IPR of a professional preparation program that addresses six to eleven standards. Clear credential programs typically include between six and eleven standards [reference 5 CCR §80054(d)(3) pertaining to Clear Administrative Services Credentials].

**(a)(2)(C):** Proposed language establishes the flat fee for the IPR of a professional preparation program that addresses fewer than six standards. Added authorization and certificate programs typically include fewer than six standards [reference 5 CCR §80069.2(a)(3) pertaining to the Mathematics Instructional Added Authorization].

**(a)(2)(D):** Proposed language clarifies the circumstances under which a professional preparation program may be exempted from the fees associated with IPR. Exemption from the costs



associated with IPR is a win-win situation, in that the program will not be required to pay the cost recovery fees and the number of available Board of Institutional members will be increased.

**(b):** Proposed new subsection to establish the cost recovery fees for accreditation activities in excess of the regularly scheduled data reports, program assessments, and accreditation site visits and includes language specifying when the fees must be submitted to the Commission [reference EC §44374.5(b)].

**(b)(1):** Proposed language establishes the cost recovery fee for focused site visits as defined in §80691(b).

**(b)(2):** Proposed language establishes the cost recovery fee for late reviews as defined in §80691((f)).

**(b)(3):** Proposed language prefaces the subsections that establish the cost recovery fees for extraordinary activities associated with program assessments as defined in §80691(g).

**(b)(3)(A):** Proposed language establishes the cost recovery fee for program assessments that require more than three reviews.

**(b)(3)(B):** Proposed language establishes the cost recovery fee for two additional Board of Institutional Review members to attend a site visit in order to perform a program review when the professional preparation program does not complete the program assessment process six months prior to the scheduled site visit.

**(b)(4):** Accreditation activities required by a professional preparation program that has had stipulations placed upon it by the Committee on Accreditation include additional reports with or without a site revisit. The proposed language prefaces the subsections that establish the cost recovery fees for a professional preparation program operating with stipulations as defined in §80691(l).

**(b)(4)(A):** Proposed language establishes the cost recovery fee for a site revisit as defined in §80691(i).

**(b)(4)(B):** Proposed language establishes the cost recovery fee for review of a report due to stipulations that does not require a site revisit. Also incorporates by reference Chapter Nine of the *Accreditation Handbook* which details the activities associated with accreditation stipulations.

**(b)(4)(C):** Proposed language establishes the cost recovery fee for review of a report due to stipulations that does require a site revisit. Also incorporates by reference Chapter Nine of the *Accreditation Handbook* which details the activities associated with accreditation stipulations.

**Note:** Cites the relevant Education Code authority and references for the proposed addition of 5 CCR §80692.

**CALIFORNIA CODE OF REGULATIONS**  
**TITLE 5. EDUCATION**  
**DIVISION 8. COMMISSION ON TEACHER CREDENTIALING**

Subarticle 3. Cost Recovery Fees for Program Approval and Accreditation

§80691. Definitions.

As used in this subarticle, the following terms shall have the meanings as set forth below:

- (a) “Board of Institutional Review member” is an individual who has successfully completed the Commission-provided training detailed in the *Accreditation Handbook* Chapter Eleven, Board of Institutional Review Member Skills and Competencies (rev. 2012), available on the Commission’s website and hereby incorporated by reference.
- (b) “Focused site visit” is a site visit requested by the Committee on Accreditation when it is determined that the professional preparation program is not complying with the accreditation system activities specified in the *Accreditation Handbook* Chapter Four, The Accreditation Cycle (rev. 2012), available on the Commission’s website and hereby incorporated by reference.
- (c) “Initial institutional approval” is granted by the Committee on Accreditation when an institution that has not previously prepared educators for certification in California has been deemed to meet the accreditation requirements as explained in the *Accreditation Handbook* Chapter Three, Institutional and Program Approval (rev. 2012), available on the Commission’s website and hereby incorporated by reference.
- (d) “Initial program review” is the review of a professional preparation program’s formal response to the program standards associated with a specific program type as explained in the *Accreditation Handbook* Chapter Three, Institutional and Program Approval (rev. 2012). Initial program review occurs when a professional preparation program intends to offer a new professional preparation program type or when the Commission revises program standards to such a significant degree that a professional preparation program must rewrite the program document.
- (e) “Institution” means any of the following categories of agencies which are authorized to seek initial institutional approval as defined in subsection (c) in order to submit a professional preparation program for approval and accreditation as defined in subsection (h):
  - (1) A California county superintendent of schools office;
  - (2) A California school district;
  - (3) A charter school as established in Education Code Section 47605;

(4) A regionally-accredited college or university;

(5) A non-governmental or community-based organization.

- (f) “Late review” refers to the submission of a Biennial Report, as defined in the *Accreditation Handbook* Chapter Five, Biennial Reports (rev. 2012), available on the Commission’s website and hereby incorporated by reference, after the deadline established pursuant to the *Accreditation Handbook* Chapter Four, The Accreditation Cycle (rev. 2012).
- (g) “Program Assessment” is a process that occurs in year four of the seven year accreditation cycle and requires professional preparation programs to submit to the Commission a clear description of how a program is operating as explained in the *Accreditation Handbook* Chapter Six, Program Assessment (rev. 2012), available on the Commission’s website and hereby incorporated by reference.
- (h) “Professional preparation program” refers to an institution that has been approved by the Commission and accredited by the Committee on Accreditation to offer a program which leads to the issuance of teaching credentials, services credentials, specialist credentials, added authorizations, or certificates.
- (i) “Site revisit” is an accreditation visit that is conducted as a result of an action taken by the Committee on Accreditation to place stipulations on the accreditation of a professional preparation program as detailed in the *Accreditation Handbook* Chapter Fifteen, The Accreditation Revisit (rev. 2012), available on the Commission’s website and hereby incorporated by reference.
- (j) “Site visit” is an accreditation visit conducted in the seventh year of the accreditation cycle as specified in the *Accreditation Handbook* Chapter Four, The Accreditation Cycle (rev. 2012).
- (k) “Standard accreditation cycle” refers to the seven-year accreditation cycle specified in the *Accreditation Handbook* Chapter Four, The Accreditation Cycle (rev. 2012).
- (l) “Stipulations” are placed on the accreditation of a professional preparation program by the Committee on Accreditation when it is determined that one or more applicable common and/or program standards have not been met or have been met with concerns as explained in the *Accreditation Handbook* Chapter Eight, Accreditation Decisions: Options and Implications (rev. 2012), available on the Commission’s website and hereby incorporated by reference.

Note: Authority cited: Section 44225, Education Code. Reference: Sections 44225(h), 44370, 44371, 44372, 44373(c) and 44374, Education Code.

## §80692. Program Approval and Accreditation Fees

The following fees associated with the activities defined in §80691 shall be submitted to the Commission by the professional preparation program:

(a) Fees for document review beyond the Standard Accreditation Cycle shall be submitted with the professional preparation program's formal response to the applicable standards as follows:

(1) Initial institutional approval: \$2,000 flat fee.

(2) Initial program review:

(A) Professional preparation program that addresses twelve or more standards: \$2,000 flat fee.

(B) Professional preparation program that addresses six to eleven standards: \$1,500 flat fee.

(C) Professional preparation program that addresses fewer than six standards: \$1,000 flat fee.

(D) A professional preparation program that provides a number of Board of Institutional Review members that is equal to or greater than two times the number of their program documents submitted for initial program review annually and that assume all travel costs related to the review of the program documents submitted for initial review shall be exempt from payment of the fees associated with this subsection.

(b) Fees for the following activities in excess of the regularly scheduled accreditation activities shall be submitted to the Commission in the year that the extraordinary activities are performed:

(1) Focused site visit: \$1,000 for each individual attending the focused site visit.

(2) Late reviews: \$500 per program type.

(3) Program assessments:

(A) No fee shall be charged for the first three reviews of a program assessment submitted by a professional preparation program. The fee for review of a program assessment beyond the first three reviews: \$1,000 flat fee.

(B) A professional preparation program that does not complete the program assessment process at least six months prior to a scheduled site visit: \$3,000 flat fee for two additional Board of Institutional Review members to review the program during the site visit.

(4) Stipulations:

- (A) Site revisit: \$1,000 per individual attending the site revisit;
- (B) Review of a report due to stipulations that does not require a site revisit as detailed in the *Accreditation Handbook* Chapter Nine, Activities during the Seventh Year of the Accreditation Cycle (rev. 2012), available on the Commission's website and hereby incorporated by reference: \$500 flat fee;
- (C) Review of a report associated with a site revisit as detailed in the *Accreditation Handbook* Chapter Nine, Activities during the Seventh Year of the Accreditation Cycle (rev. 2012): \$1,000 flat fee.

Note: Authority cited: Section 44225, Education Code. Reference: Sections 44225(h), 44371, 44372, 44373(c), 44374 and 44374.5, Education Code.

**Recommended Action**

Staff recommends the following in relation to the proposed regulations:

- 1) That the Commission adopt all or some aspects of the proposed cost recovery plan for program approval and accreditation;
- 2) That the Commission approve the findings of emergency and the proposed addition of Subarticle 3, including §§80691 and 80692, to Title 5 of the California Code of Regulations pertaining to cost recovery fees associated with program approval and accreditation;
- 3) Direct staff to proceed with preparing an emergency regulatory file; and
- 4) Direct staff to begin the regular rulemaking process, including the scheduling of a public hearing, to adopt permanent regulations for cost recovery.

**Next Steps**

If the Commission adopts the cost recovery plan for accreditation and the proposed emergency regulations, staff will communicate these changes with the field immediately and implement the plan.

## Appendix A

### If Cost Recovery had been in place in 2010-11 and 2011-12

Provided below is the estimate of cost recovery revenue that would have been assessed if the cost recovery process has been in place in 2010-11 and 2011-12. More detail on each of the rows in the table is provided below the table.

#### Summary

Activity	2010-11	2011-12
Stipulations, Quarterly Reports and Revisits	\$6,500	\$13,000
Focused Site Visits	0	\$5,000
Initial Institutional Approval (IIA)	0	\$6,000
Initial Program Review*	\$114,500	\$121,000
Program Assessment Beyond 3 Reviews	\$20,000	\$20,000
Late Submission of Required Documents	\$22,500	\$22,500
<b>Totals</b>	<b>\$163,500</b>	<b>\$187,500</b>

\*In-Kind option where the institution supports the travel and per diem for 2 individuals who have completed BIR training in lieu of paying the fee associated with IPR.

#### Stipulations, Quarterly Reports and Revisits

Revisits generally require a two-day focused visit of a smaller team within one year of the original site visit to determine whether the institution has sufficiently addressed all stipulations. The number of reviewers depends upon the number and complexity of issues identified, but generally includes at least one reviewer in addition to the team lead. Furthermore, staff time to prepare and work with the institution can be considerable and is generally proportional to the level of stipulations assigned. Between 2009 and 2012, there was a total of 82 site visits, resulting in 23 institutions needing to address stipulations. Of those 23 institutions, 15 required a revisit.

Proposed cost recovery for revisits and institutions with stipulations:

- \$500 flat fee for institutions requiring reports addressing stipulations (without revisit)

- \$1,000 per individual who attends the revisit

- \$1,000 flat fee for institutions requiring quarterly reports addressing stipulations (in addition to revisit)

### *Historical Information*

Stipulations Requiring Documentation Addressing Stipulations—Proposed \$500	
2010-11	2011-12
3 institutions: Total \$1,500	2 institutions: Total \$1,000
Quarterly Reports—Proposed \$1,000	
2010-11	2011-12
1 institution: Total \$1,000	2 institutions: Total \$2,000
Revisits—Proposed \$1,000 per individual attending Revisit	
2010-11	2011-12
6 Revisits, 4 of the revisits were 2 people and 2 of the revisits involved 3 people attending. \$2,000 for 4 institutions; \$3,000 for 2 institutions for a total of \$14,000.	5 Revisits, 2 people each. \$2000 per institution for a total of \$10,000
Total: \$16,500	Total: \$13,000

### Focused Site Visit

The Commission's accreditation system allows the COA to call for a focused accreditation site visit when the institution is not complying with the accreditation system activities (e.g., not submitting biennial reports or program assessment documents) or if there are concerns expressed about a program or institution. Travel expenses are projected at approximately \$1000 per reviewer. No focused visits outside of the accreditation cycle have taken place in recent years.

### Proposed Cost Recovery:

\$1000 per individual who attends the Focused Site Visit

### *Historical Information*

There have been no Focused Site Visits although the site visit to Bard College, Delano could have been considered a Focused Site Visit since it was not in the regularly scheduled accreditation cycle. Five individuals attended the site visit so the institution would have been charged \$5,000.

### Initial Institutional Approval, Initial Program Review, and Program Assessment

The Commission supports the travel and per diem cost for educators to review documents within the accreditation system. Documents are reviewed during: 1) initial institutional approval, 2) initial program review, and 3) program assessment. The most efficient manner to review documents includes bringing reviewers to the Commission offices for dedicated time in assigned pairs to review documents in their expertise area, ideally for a period of two days. The Commission has historically paid for travel, lodging, and meal costs for the reviewers. The face-to-face document review where the two readers are able to review the submission in a protected environment with Commission facilitation of the process provides the most reliable and calibrated review for all program sponsors.

### *Initial Institutional Approval*

Initial Institutional Approval is the process that institutions that have not previously been authorized by the Commission to offer educator preparation programs in California must complete prior to offering an educator preparation program. Because the institution is new to the

Commission's process, this often requires multiple reviews and resubmissions. These approvals are less frequent in occurrence than other document reviews; however they require considerable time for reviewers.

Proposed Cost recovery:

\$2,000 cost recovery for Initial Institutional Approval

#### *Historical Information*

2010-11	2011-12
No institutions.	3 intuitions: Total \$6,000

#### *Initial Program Review*

Initial Program Reviews are initiated in two ways. In one case the approved institution intends to offer a new program and submits it for review. In the second, the Commission revises standards to such a significant degree that institutions are required to rewrite the program and submit it for Initial Program Review. There was considerable discussion at both the June Commission meeting and the COA regarding what constitutes a new program. It is anticipated that staff will include a discussion of costs when presenting proposed program revisions to the Commission for approval and that a determination will be made on a case by case basis. For the purposes of this discussion, no differentiation is made regarding the catalyst for the Initial Program Review. Although the IPR is generated under different circumstances, the cost of the Initial Program Review remains the same.

The time and expense of Initial Program Review is largely dependent upon the type of program being reviewed. There are three categories that programs fall under. The first, and most comprehensive are preliminary programs, which have 12 or more standards. Second tier programs have 6-11 standards and require less time for review. Added authorizations programs are much less complex with 5 or few standards to review. Cost sharing is reflective of this difference.

Proposed Cost Recovery:

\$2,000 per Preliminary Program (12 or more standards)

\$1,500 per Second Tier Program (6-11 standards)

\$1,000 per Added Authorization or other program with fewer than 6 standards

*No fee to programs that provide BIR-trained reviewers (equal to the two times the number of programs submitted for IPR) and assume all travel costs related to the review.(See In-Kind Option below)*

#### *Historical Information*

	2010-11	2011-12
Preliminary Programs:\$2,000	11 programs: \$22,000	19 programs: \$38,000
Second Tier Programs:\$1,500	45 programs: \$67,500	40 programs: \$60,000
Added Authorization: \$1,000	25 programs: \$25,000	23 programs: \$23,000
Total Cost Recovery	\$114,500	\$121,000



### Program Assessment Beyond the Standard

As mentioned previously, it is not unusual for a Program Assessment document to require resubmission for a second review. When a Program Assessment document requires more than three (3) reviews this is considered extraordinary and is beyond normal accreditation activities. Program Assessment documents that require numerous reviews require redirection of staff time as well as additional travel costs related to reconvening reviewers.

Proposed Cost Recovery:  
\$1000 per submission

#### *Historical Information*

2010-11	2011-12
20 programs: Total \$20,000	20 programs: Total \$20,000

### Option of In-Kind Contribution

Commissioners voiced concern about fees associated with Initial Program Review and suggested the option of institutions providing an in-kind contribution of reviewers, including assuming their travel costs and per diem. This possibility could provide an option for institutions that prefer this option and potentially help increase the efficiency with which documents are read by alleviating the shortage of reviewers that are available to the Commission currently. This is not proposed as an option for those institutions going through Initial Institutional Approval.

### Late Documents

Reviewing documents that do not come in when they are scheduled to do so creates an additional expense due to the need to recruit additional reviewers and hold additional review events. Approximately 45 Program Assessment and/or Biennial Reports are submitted late each year. Although the proposed fee of \$500 would not cover the cost of such reviews, it would address the additional time necessitated by the late submission. This would not apply to institutions that have been granted an extension prior to the due date.

#### *Historical Information*

At an estimated 45 late reports (Program Assessment and Biennial Reports) per year the following fees would have been assessed. It is expected that once a fee for late reports is instituted, reports will arrive on time and this part of the cost recovery would drop significantly.

2010-11	2011-12
45 programs: Total \$22,500	45 programs: Total \$22,500

# Commission's Accreditation Cost Recovery Plan

## 1. Introduction

This survey is to gather information from the 261 entities approved by the Commission to offer educator preparation programs in California on the proposed Cost Recovery Plan for the Commission to recover some funds for selected accreditation activities.

The 2013-14 Budget Act includes a provision that authorizes the Commission to charge a fee to recover the costs of reviewing documents for educator preparation programs and for activities above and beyond those in the accreditation cycle (Biennial Reports, Program Assessment and Site Visit). The Budget Act specifies that at least \$200,000 of the Commission's regular appropriation must be spent on educator preparation program reviews, and gave the Commission authority to seek reimbursement for extraordinary accreditation activities. AB 86 (Chap. 8, Stats. 2013), the education omnibus trailer bill enacted as part of the 2013-14 Budget Act, provides the statutory authority for the Commission to recover costs associated with activities in excess of the regularly scheduled reviews. Specifically, AB 86 adds section 44374.5 of the Education Code as follows:

(a) The Commission may charge a fee to recover the costs of reviewing initial or new educator preparation programs. Applicable local educational agencies and institutions of higher education shall submit the established fee to the Commission when submitting a proposal for an initial or new program. The Commission may review the established fee on a periodic basis and adjust the fee as necessary. The Commission shall notify the chairpersons of the committees and subcommittees in each house of the Legislature that consider the State Budget and the Department of Finance at least 30 days prior to implementing the fee and at least 30 days prior to making any subsequent fee adjustments.

(b) The Commission may charge Commission-approved entities a fee to recover the costs of accreditation activities in excess of the regularly scheduled data reports, program assessments, and accreditation site visits. This includes, but is not limited to, accreditation re-visits, addressing stipulations, or program assessment reviews beyond the standard. Institutions shall submit the established fee to the Commission in the year that the extraordinary activities are performed. The Commission may review the established fee on a periodic basis and adjust the fee as necessary. The Commission shall notify the chairpersons of the committees and subcommittees in each house of the Legislature that consider the State Budget and the Department of Finance at least 30 days prior to implementing the fee and at least 30 days prior to making any subsequent fee adjustments.

The Commission's 2013-14 budget assumes that \$200,000 will be generated by the cost recovery proposal. These funds would support accreditation activities. As the proposal was developed every effort was made to keep the fee structure reasonable for institutions while generating additional revenue to support the Commission's accreditation system.

**It is essential to note that regularly scheduled accreditation activities for institutions in the Commission's accreditation system are not included in the cost recovery plan.**

\*= Response required for this question

Thank you for sharing your ideas and perspective on the proposed Cost Recovery Plan

### \*1. Please identify your institution's segment:

- |                                                                     |                                                         |
|---------------------------------------------------------------------|---------------------------------------------------------|
| <input type="radio"/> University of California (UC)                 | <input type="radio"/> LEA (District and County Offices) |
| <input type="radio"/> California State University (CSU)             | <input type="radio"/> Other                             |
| <input type="radio"/> Independent Colleges and Universities (AICCU) |                                                         |

Other please specify

# Commission's Accreditation Cost Recovery Plan

## \*2. Please identify the specific campus, district, or county office

## \*3. Please indicate if the information you are providing is your personal response or if the response reflects your institution's official response

☐ Individual Response

☐ Institutional Response

## 4. Contact information: Optional, in case there are questions about the information submitted

Name:

Email Address:

Phone Number:

## 5. Please identify your role(s) at the institution:

☐ Dean

☐ Program Coordinator

☐ Staff

☐ Superintendent

☐ Faculty

☐ Other

☐ Director

☐ Credential Analyst

Other (please specify)

## 2. Document Review: Initial Program Review, Initial Institutional Approval, an...

The Commission supports the travel and per diem cost for educators to review documents within the accreditation system. Documents are reviewed during: 1) initial institutional approval (IIA), 2) initial program review (IPR), and 3) program assessment (PA). The most efficient manner to review documents includes bringing reviewers together for dedicated time in assigned pairs to review documents in their expertise area, ideally for a period of two days. The Commission has historically paid for travel, lodging, and meal costs for the reviewers. The face-to-face document review where the two readers are able to review the submission in a protected environment with Commission facilitation of the process provides the most reliable and calibrated review for all program sponsors.

If an institution is already in the Commission's accreditation system (has completed IIA and has one or more approved educator preparation programs) and submits the required Biennial Reports and Program Assessment reports on time and completes the Program Assessment process in three or fewer submissions per program, there would be no fees assessed.

If an approved institution intends to submit a proposal for a new educator preparation program, the fee can be satisfied by the In-Kind option (described below). The in-kind option requires the institution supporting the travel of two individuals from the institution, who have completed BIR training, to read program proposals. These readings take place at the Commission offices and at regional reading sessions scheduled at local universities or district locations.

## Commission's Accreditation Cost Recovery Plan

**1. Initial Institutional Approval (IIA) is the process that institutions that have not previously been authorized by the Commission to offer educator preparation programs in California must complete prior to offering an educator preparation program. Because the institution is new to the Commission's process, the review and resubmission process often requires multiple reviews and resubmissions. These approvals are less frequent in occurrence than other document reviews; however they require considerable time for reviewers. The fee for the IIA Process is distinct from the Initial Program Review process; an additional fee would be charged for the review of the educator preparation program proposal.**

### **Proposed Cost Recovery:**

**\$2,000 cost recovery for Initial Institutional Approval**

**Is the "Initial Institutional Approval" portion of the cost recovery plan clear?**

☐ Yes

☐ No

If no, please explain what is unclear

# Commission's Accreditation Cost Recovery Plan

## 2. Initial Program Review

**Initial Program Reviews are initiated in two ways. In one case the approved institution intends to offer a new program and submits it for review. In the second, the Commission revises standards to such a significant degree that institutions are required to rewrite the program and submit it for Initial Program Review. There was considerable discussion at both the June Commission meeting and the COA regarding what constitutes a new program. It is anticipated that staff will include a discussion of costs when presenting proposed program revisions to the Commission for approval and that a determination will be made on a case by case basis. For the purposes of this discussion, no differentiation is made regarding the catalyst for the Initial Program Review. Although the IPR is generated under different circumstances, the cost of the Initial Program Review remains the same.**

**The time and expense of Initial Program Review is largely dependent upon the type of program being reviewed. There are three categories that programs fall under. The first, and most comprehensive, are preliminary programs, which have 12 or more standards. Second tier programs have 6-11 standards and require less time for review. Added authorizations programs are much less complex with 5 or few standards to review. The proposed cost recovery plan reflects this difference.**

### **Proposed Cost Recovery:**

**\$2,000 per Preliminary Program (12 or more standards)**

**\$1,500 per Second Tier Program (6-11 standards)**

**\$1,000 per Added Authorization or other program with fewer than 6 standards**

***No fee to programs that provide BIR-trained reviewers (equal to the two times the number of programs submitted for IPR) and assume travel costs related to the review.***

**Is the "Initial Program Review" portion of the Cost Recovery Plan clear?**

☐ Yes

☐ No

If No, please explain what is not clear

# Commission's Accreditation Cost Recovery Plan

## 3. In-kind Option

**The proposed cost recovery plan includes if an institution identifies 2 BIR trained individuals to participate in Initial Program Review, Initial Institutional Approval, or Program Assessment at the time the *Intent to Submit* form is submitted and supports the travel and per diem of the individuals to review a proposal, the fee for one program submitted for Initial Program Review will be waived. *The 'In-kind Option' is not available for institutions in the IIA process (described above).***

☐ Yes

☐ No

If No, please explain what is not clear

## 4. Please provide feedback on the Initial Program Review portion of the Cost Recovery Plan-select as many responses as appropriate

☐ The plan as presented in this area would probably not impact my institution's decision to propose new educator preparation programs

☐ My institution would take likely take advantage of the in-kind option.

☐ The plan as presented in this area would require my institution to carefully consider before proposing a new educator preparation program

☐ The plan as presented in this area would prohibit my institution from proposing new programs

☐ Other

Other (please specify)

## Commission's Accreditation Cost Recovery Plan

### 5. Program Assessment Requiring More than 3 Submissions

**With respect to Program Assessment, it is not unusual for documents to require one to two resubmissions before all standards are found to be preliminarily aligned. When a Program Assessment document requires more than three (3) reviews this is considered extraordinary and beyond normal accreditation activities. Program Assessment documents that require numerous reviews require redirection of staff time as well as additional travel costs related to reconvening reviewers. Therefore, when a program requires more than 3 submissions to complete the Program Assessment process, it is considered an extraordinary activity and a fee for the review is proposed.**

**Proposed Cost Recovery:  
\$1000 per submission**

**Is the "Program Assessment Requiring More than 3 Submissions" portion of the Cost Recovery Plan clear?**

☐ Yes

☐ No

If No, please describe what is unclear

**6. Please provide any additional thoughts you have about the Document Review portion of the proposed Cost Recovery Plan**

### 3. Extraordinary Activities based on the findings from an accreditation site v...

The Committee on Accreditation (COA) may place stipulations on an institution based on the site visit which would require the institution to 1) submit documentation addressing stipulations, 2) host a re-visit, and/or 3) submit quarterly reports in addition to hosting a re-visit.

If an institution is not participating in the required activities of the accreditation process (submitting Biennial Reports or Program Assessment documentation) or serious concerns have been raised about the quality of one or more programs at the institution, staff would present that information to the Committee on Accreditation (COA). If the COA finds the situation to warrant it, a Focused Site Visit could be scheduled for that institution.

Both of these situations are extraordinary in that the activity is not part of the regularly scheduled seven-year cycle of accreditation activities.

# Commission's Accreditation Cost Recovery Plan

## 1. Cost Recovery for Stipulations, Revisits, and Quarterly Reports

**Stipulations:** Some institutions have stipulations placed on the institution after an accreditation site visit. The institution must provide documentation showing how the institution has addressed the stipulations and now meets the standards.

**Revisits:** When the COA places more serious stipulations on an institution it may require a revisit. Revisits generally require a two-day focused visit of a smaller team within one year of the original site visit to determine whether the institution has sufficiently addressed all stipulations. The number of reviewers depends upon the number and complexity of issues identified, but generally includes at least one reviewer in addition to the team lead.

**Quarterly Reports:** When an institution has received very serious stipulations in addition to a revisit, the COA may also require quarterly (or some other interval) reports to be submitted.

**Proposed cost recovery for revisits and institutions with stipulations:**

**\$500 flat fee for institutions requiring reports addressing stipulations (without revisit)**

**\$1,000 per individual who attends the revisit**

**\$1,000 flat fee for institutions requiring quarterly reports addressing stipulations (in addition to fees for the revisit)**

**Is the "Stipulations, Revisits, and Quarterly Reports" portion of the cost recovery plan clear**

☐ Yes

☐ No

If No, please explain what is not clear



# Commission's Accreditation Cost Recovery Plan

## 2. Focused Site Visits

**The Commission's accreditation system allows the COA to call for a focused accreditation site visit when the institution is not complying with the accreditation system activities (e.g., not submitting biennial reports or program assessment documents) or if there are concerns expressed about a program or institution. The size of the focused site visit team will vary depending on the specific situation and would most likely include 2-5 individuals. Travel expenses are projected at approximately \$1000 per reviewer. No focused visits outside of the accreditation cycle have taken place thus far.**

### **Proposed Cost Recovery:**

**\$1000 per individual who attends the Focused Visit**

**Is the "Focused Site Visits" portion of the cost recovery proposal clear?**

☐ Yes

☐ No

If No, please explain what is not clear

**3. Please provide any additional thoughts you have about the Extraordinary Activities portion of the proposed Cost Recovery Plan**

## 4. Late Submission: Biennial Reports or Program Assessment Documentation

Reviewing documents that are not submitted when they are scheduled to creates additional expense due to the need to recruit additional reviewers and hold additional review events. Approximately 45 Program Assessment and/or Biennial Reports are submitted late each year. Although the proposed fee of \$500 would not cover the cost of such reviews, it would address the additional time necessitated by the late submission.

# Commission's Accreditation Cost Recovery Plan

## 1. Late Submission:

**\$500 fee for late submission of Biennial Reports or Program Assessment documentation**

**Is the "Late Submission" portion of the Cost Recovery Plan clear?**

☐ Yes

☐ No

If No, please explain what is unclear

## 5. Concluding comments

The Cost Recovery plan will be discussed at the September 26-27, 2013 Commission meeting and information gathered through this survey will be shared in the aggregate. Individual responses will not be shared.

It is expected that action will be taken on emergency regulations at that meeting and that the Cost Recovery Plan would be implemented in 2013-14.

**1. Does the Cost Recovery Plan seem fair?**

☐ Yes

☐ No

If No, please specify

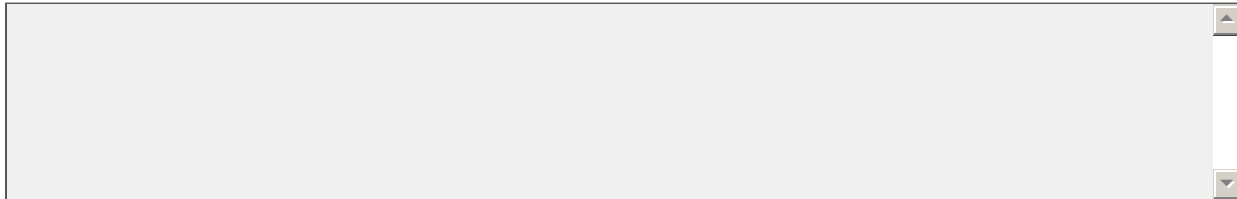
**2. What positives do you see in the Cost Recovery Plan?**

**3. What concerns do you have regarding the Cost Recovery Plan?**

**4. Are there any unexpected outcomes you foresee from the implementation of the Cost Recovery Plan? If yes, please share them here**

## Commission's Accreditation Cost Recovery Plan

### **5. Please provide any additional thoughts you have about the proposed Cost Recovery Plan**



Thank you for providing this information to the Commission.